

Request for City Council Committee Action from the Department of Public Works

Date: August 20, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Referral to: Honorable Betsy Hodges, Chair Ways and Means/Budget Committee

Subject: Contract Amendment with Midwest Diesel Inc for OEM Crane Carrier

Parts and Service.

Recommendation:

Authorize proper City officials to execute an amendment to C-02-00045B with Midwest Diesel, Inc., for OEM Crane Carrier parts and service increasing the annual expenditure by \$100,000, for a revised total amount of \$250,000.

Previous Directives:

March 8, 2012 – Acceptance of the only bid of Midwest Diesel Service Inc. for the estimated annual expenditure of \$150,000 to furnish and deliver OEM Crane Carrier parts and service for two (2) years through December 31, 2013 for the City of Minneapolis Public Works, Solid Waste and Recycling Division.

Department Information:

•	Richard Schoumaker, Equipment Supervisor, Solid Waste and Recycling Division
Approved by: _	
!	Steven A. Kotke, P.E., Director of Public Works
Presenters in C	Committee: David Herberholz, Director, Solid Waste and Recycling Division Richard Schoumaker, Equipment Supervisor, Solid Waste and Recycling Division

Financial Impact

• Action is within the Business Plan

Community Impact

City Goals: Infrastructure: well-managed and maintained

Supporting Information

<u>Background</u>

On March 8, 2012, Council approved a 2-year agreement through December 31, 2013, between the City of Minneapolis, Public Works, Solid Waste and Recycling Division and Midwest Diesel Inc. The agreement indicates an annual expenditure of \$150,000, for the purchase of OEM Crane Carrier truck parts and service.

The truck fleet in Solid Waste and Recycling (SWR) is composed of approximately 90% Crane Carrier cab and chassis. Midwest Diesel Inc. is a Crane Carrier dealer that supplies parts and service when SWR trucks require repairs.

Typical annual expenditures for Crane Carrier parts and service are less than \$150,000. However, the following unexpected events have caused an increase in expenditures that will cause SWR to exceed the approved \$150,000:

- Truck accident the entire cab of a Crane Carrier truck required replacement at a cost of \$57,665.87 from an accident that took place on January 30, 2013.
- Six (6) Crane Carrier trucks have been leased to Minneapolis Refuse Inc. (MRI) for 2013 for one-sort recycling. Normally these trucks would have been decommissioned, but because of their age they require additional repairs.